

MILLIONS TUCKED AWAY IN POCKETS OF CAPITALISTS

Syndicate Waxes Fat, But Frisco System Is Wrecked.

BONDS ARE PICKED BARE OF PROFITS

Frenzied Finance Drives Rail- road Into Bankruptcy, Ac- cording to Report of Inter- state Commission—Story of Its Plundering Is Filed With Senate.

[Special to The Times-Dispatch.]
Washington, January 26.—Frenzied finance wrecked the St. Louis and San Francisco Railroad system, according to the report of the Interstate Commerce Commission, filed with the Senate to-day.

Commissioner Clark, who wrote the report, charges that \$9,000,000 in profits was divided among the syndicate, and says the operating expenses of the system were held down, showing that the revenues from stock sales were not used to better the service.

Causes for Disaster.

Six causes for the bankruptcy of the system are named. They are: First, disproportionate capitalization. Second, acquisition of new lines (in some instances at enormous profit to syndicate subscribers). Third, the financing of various Texas railroads, including the New Orleans, Texas and New Mexico.

Fourth, an excessive charge paid for stock of the Chicago and Eastern Illinois Railroad, in order that the Frisco might get into Chicago. Fifth, the sale of securities at unreasonably low prices.

Sixth, payment of dividends on preferred stock, regardless of its weak financial condition, poor investments, expensive rentals and general bad management.

Evasion of the law in Missouri, requiring all capital stock of railroads to be sold at par, is intimated.

The report says: "It will be observed that the interest-bearing securities of the railroad exceeded the capital stock liability by 75 per cent, and were wholly disproportionate when compared with the capitalization of other carriers, including those in the territory west of the Mississippi River."

As to the Missouri law, the report says: "The Missouri law, which requires the sale of securities at par, is placed upon the sale of bonds. The disposition of bonds is usually a transaction with banks or bankers to whom profits accrue."

Bad Management Shown.

"These securities," the commission declares, "were sold at prices which, in the light of the subsequent credit, or an extravagant arrangement by bankers to whom large profits accrued in the purchase of the bonds and the subsequent sale of them to the public."

The immediate cause of the bankruptcy of the railroad, the report continues, was inability to pay the principal of two-year 5 per cent notes, amounting to \$2,500,000. These notes were secured by \$3,900,000 in common and preferred stock of the Frisco.

Those who advanced the money demanded an additional security, showing their disbelief in the stock they held, the report says.

Although it is up to the neck in debt, or in the language of the commission, "had apparently exhausted every possible avenue of assistance," the Frisco Railroad system floated a \$3,000,000 bond issue at a price of 78, the bonds being sold to Speyer & Co., of New York.

"The sale of securities to the investing public through the bankers at a time when every appearance indicated the insolvency of the issuing company, and the fact that the syndicate had written and warrants the condemnation of all those who sold the securities, was a part of the same scheme."

The commission continues: "The absorption of the increased income is accounted for by charges of \$1,410,010 covering the cost of the lease of the Kansas City, Fort Scott and Memphis Railway, the Kansas City, Memphis and Birmingham Railroad, and the Kansas City, Memphis Railway and Bridge Company, by the increase in the funded debt, from \$1,944,000, in 1907, to \$10,640,000, in 1912."

While the railroad was thus skidding toward insolvency, there were rich pickings for the syndicates engaged in building new lines. The sum of \$7,500,000, the commission points out, was paid to the syndicate for the acquisition of new lines at prices greatly in excess of construction costs, and the sale of its funded debt securities, at extravagant rates of discount, including the payment of premiums on retired issues, the investment in stock of industrial companies, on which no dividends have been paid, and the assumption of heavy fixed charges for its Texas lines and the Chicago and Eastern Illinois Railroad.

There were nine syndicates in all. The members of the syndicate, according to the commission's opinion of this policy: including the payment of premiums on retired issues, the investment in stock of industrial companies, on which no dividends have been paid, and the assumption of heavy fixed charges for its Texas lines and the Chicago and Eastern Illinois Railroad.

There were nine syndicates in all. The members of the syndicate, according to the commission's opinion of this policy: including the payment of premiums on retired issues, the investment in stock of industrial companies, on which no dividends have been paid, and the assumption of heavy fixed charges for its Texas lines and the Chicago and Eastern Illinois Railroad.

RIGHT TO SEAT ATTACKED

Sutherland Protests Against Admission of Senator-elect to Senate

Washington, January 26.—An attack by Senator Sutherland, of Utah, upon the right of Blair Lee, to a seat in the Senate by virtue of the election in Maryland last November marked the opening of the debate to-day on the report of the Committee on Elections recommending that Mr. Lee be seated. Senator Kern, majority leader, said the case had been so thoroughly presented to the Committee on Elections that he felt it unnecessary to take the time of the Senate in defending Mr. Lee's right to a seat.

Senator Sutherland contended that neither Blair Lee nor the amendment authorizing the direct election of Senators, nor the laws of Maryland authorizing the election of Blair Lee, had been found in the Maryland cany in the Senate.

Senator Cummins and Senator Kenyon, of Iowa, urged that the Senate should accept the opinion of the Attorney-General of Maryland and the decision of the United States Supreme Court, to the effect that the Maryland laws did authorize the special election being called.

HER HAT IS IN THE RING

Mrs. Eva M. Murphy Announces Candidacy for Congress

Goodland, Kan., January 26.—Mrs. Eva M. Murphy, of Goodland, to-day announced her candidacy for Congress from the Sixth Kansas District as a Progressive.

"The fact that I am a wife and a mother, I believe will aid me," said Mrs. Murphy in her announcement. "Since my children are grown and my husband is willing, I have decided to run for Congress."

John R. Connelly, a Democrat, now represents the Sixth District.

Goodland, Kan., January 26.—Mrs. Eva M. Murphy, of Goodland, to-day announced her candidacy for Congress from the Sixth Kansas District as a Progressive.

"The fact that I am a wife and a mother, I believe will aid me," said Mrs. Murphy in her announcement. "Since my children are grown and my husband is willing, I have decided to run for Congress."

John R. Connelly, a Democrat, now represents the Sixth District.

MORGAN HAS NOT DECIDED

Fate of His Art Treasures Still in Uncertainty

[Special to The Times-Dispatch.]
New York, January 26.—It was announced to-day that J. P. Morgan had not decided what course he will pursue in disposing of his \$500,000 art treasures collected by his father, the late J. P. Morgan. According to Mr. Morgan's secretary, the president of the Morgan Institute, the art treasures were upon the stories to the effect that the city was not to receive the wonderful collection.

INSANE PRINCE DEAD

His Death Elevates Former Dorothy to Throne

[Special Cable to The Times-Dispatch.]
St. Petersburg, January 26.—Word was received to-day that Prince George of Greece, who had been insane for fifteen years, died at the asylum for the insane in Athens. The prince was one of the most famous in all Europe. His death elevates his wife, the former Dorothy, to the throne of Greece.

EXODUS FROM CAPITAL

Congress Passes Bill Abolishing Notorious Segregated District

Washington, January 26.—Washington's notorious segregated district, which has been the scene of the shadow of the White House, is a thing of the past. The House to-day, without a dissent, passed the bill to abolish the district. The bill was introduced by Representative Wilson for his district, and was immediately passed by the House.

VISIT FROM AMBASSADOR

Bakmeteff Spends Day Aboard Vessel at Newport News

Newport News, Va., January 26.—Accompanied by one of the members of his staff, George Bakmeteff, Russian ambassador, arrived here this morning from Washington. He was the guest of Captain Ross, who is undergoing a cruise on the local shipyard. The visit was unexpected, and the ambassador was aboard ship for the day.

SLAYS HIS FATHER

Boy Shoots When Other Members of Family Are Threatened

Natchitoches, La., January 26.—Fear for the lives of his mother and other members of his family, led a young man, Clark Jr., aged thirteen, to-day shot and killed his father in their home here. The boy was threatened by the father to attack his mother and other members of the family, and he shot him down. The boy was not arrested.

TOTS ARE TO BLAME

They Delay Nation's Progress While President Plays With Them

Washington, January 26.—The children of the nation are to-day the cause of delay in the progress of the nation. The children are the cause of delay in the progress of the nation. The children are the cause of delay in the progress of the nation.

EXPLOSION ON LINER

Four Men Killed in Engine-Room of Mauretania

Liverpool, January 26.—Four men were killed to-day on the Cunard liner Mauretania, which is in dock under repairs. An explosion in the engine-room, which was being used in a bracing process in the engine-room, blew up, and the engine-room was destroyed. The explosion was caused by a gas leak, and the engine-room was destroyed.

SCORES KILLED IN PANIC

Trampled to Death When Fire Breaks Out in Picture Theatre

Birmingham, England, January 26.—Fifty-eight children, mostly in a picture theatre, were killed to-day when a fire broke out in the picture theatre. The children were trampled to death when the fire broke out.

DRINKS CARBOLIC ACID

Well-to-Do North Carolina Farmer Commits Suicide

Raleigh, N. C., January 26.—At Kingston, N. C., a well-to-do farmer and well connected in Lenoir County, took his own life in a local hotel by drinking three and a half ounces of carbolic acid. It is reported that he had been suffering from despondency. No other reason could be assigned, as he left no written statement in explanation.

WESTERN COAST

CAUGHT IN GRASP OF WINTER STORM

Many Towns Are Isolated by Deluge of Rain.

PEOPLE ARE DRIVEN FROM THEIR HOMES

Several Lives Known to Have Been Lost, and Property Damage Is Heavy—Steam and Electric Railway Traffic Interrupted—"More Rain" Is Forecast.

Los Angeles, Cal., January 26.—Three men were drowned, a boy was reported to have lost his life, many persons were driven from their homes, buildings were damaged, and steam and electric railway traffic was either tied up or seriously interrupted in Southern California to-day as the result of the rain which deluged this section in the last twenty-four hours.

The deaths were those of Louis Jones, a retired banker of Montecito; Hugh Spear Haven, said to be a Chicago capitalist, drowned near Monterey; and Rico Rodriguez, who was drowned near Whittier. An unidentified boy was said to have been swept into the Los Angeles River.

For ten miles along the Rio Hondo, near Montebello, passengers were marooned. The Southern Pacific, the San Pedro, Los Angeles and Salt Lake and the Santa Fe Railroads all suffered from the deluge.

Damage to highways in Los Angeles County is estimated at \$500,000. With the entire countryside literally soaked, the forecast for to-night and to-morrow was more rain. In the twenty-four hours, ending at 5 o'clock this afternoon, the precipitation was 4.4 inches.

WIND SIXTY MILES AN HOUR

Seattle Storm Swept the Pacific Northwest to-day, Snow and Rain being Accompanied by a High Wind, which at some places attained a velocity of sixty miles an hour.

Sound was the most severe recorded since the establishment of the Weather Bureau here. The wind blew sixty miles an hour at Cape Flattery and at the mouth of the Columbia River. A portion of Eugene, Oregon, was flooded by the overflow from Amason Creek. Telephone and telegraph lines between Portland and Salem were crippled. At Salem, the storm unroofed a portion of the insane asylum, and at Baker, Oregon, the courthouse was damaged, and many houses were unroofed. At Junction City, Oregon, the water tower supplying the city was blown down.

An inch and one-half of rain has fallen at Portland in the last twenty-four hours, and the excess of rainfall here since January 1 has been five and one-third inches.

BANKER AND WIFE DROWNED

Santa Barbara, Cal., January 26.—Louis Jones, a wealthy retired banker, and his wife, whose home was in the millionaire colony of Montecito, were drowned yesterday in a flood from the mountains caused by a cloudburst.

Half a dozen houses in this city were wrecked, and nearly every bridge in the country was washed away. Telephone wires were completely out of commission, and a single telegraph wire badly damaged.

DISASTER IN BROADCAST

San Francisco, January 26.—A heavy wind and rainstorm which swept over California last night and to-day left flood and disaster in its path. Thousands of acres of land are inundated, crops are demoralized, and the damage done in the mountains is incalculable.

On the Southern Pacific and Santa Fe Railroads, railroad communication with the southern part of the State is completely cut off, and hundreds of passengers marooned on stalled trains. The noted Russian dancer, who left here for Los Angeles on a special train, is stormbound, and it will be necessary for her to cancel at least a portion of her engagements in the southern city. At Watsonville, half the town is under water, and conditions are little better in neighboring towns. At Truckee, the Shriners, on their way to the carnival and ice palace, are stalled in the snow with no chance of immediate rescue.

THREE KILLED IN AVALANCHE

St. Louis, January 26.—An avalanche, sweeping down the mountain side here to-day, snuffed out three lives and seriously injured three other persons. Four houses were ground to splinters. Every tree in the path of the icy mass was snapped off at the roots.

The bodies of Mrs. Anna Pavlovitch and two Greek miners were recovered shortly after they met their deaths. An hour after the slide W. T. Torne was rescued six feet below the surface of the snow, which was packed from six to ten feet deep on the precipitous slopes.

STOCK MARKET MUSIC TO HIM

Vienna Violinist Picks Up \$18,000 in Two Days

[Special to The Times-Dispatch.]
St. Louis, January 26.—His two days' stay in St. Louis proved quite profitable to the famous violinist, who picked up \$18,000 in two days on the stock market. He bought and sold on the stock market, and he picked up \$18,000 in two days.

MEANEST MAN FOUND

He Steals Crepe From Front Door of House of Mourning

[Special to The Times-Dispatch.]
Mobile, Ala., January 26.—Jesse Granderson, claiming to hail from Evergreen, Ala., stole the crepe from the front door of a house where he had gone to beg something to eat. The Police Court to-day gave him an excuse that he wanted to use the crepe as a band for his head.

SPANISH AVIATOR KILLED

Madrid, Spain, January 26.—Lieutenant Maximo Ramos, Spanish military aviator, was killed here to-day, when he fell in his aeroplane from a considerable height.

ONLY MONOPOLY

NEED BE FEARFUL OF TRUST BILLS

No Restrictions Will Be Placed on Legitimate Business.

WILSON CLEARLY STATES POSITION

Tells Callers Intentions of Administration as to Holding Companies, and Outlines What He Hopes For in Interstate Trade Commission. Plans for Hearings.

Washington, January 26.—Plans for public hearings on the antitrust legislation program in Congress probably will take definite shape to-morrow, when the House Judiciary and Interstate Commerce Committees will hold separate meetings. There is some feeling between the committees in both branches of Congress over the question of jurisdiction, and it was said to-night that the House Judiciary Committee probably would not consent to join the hearings which Chairman Newlands, of the Senate Committee on Interstate Commerce, and his colleagues have suggested.

Early hearings probably will be agreed upon by the House and Senate. The Judiciary Committee expects to examine soon William Draper Lewis, of the University of Pennsylvania; Donald R. Richberg, of the Progressive National Headquarters, and Herbert Knox Smith, former Federal Commissioner of Corporations, who have submitted requests to be heard through Progressive Leader Murdock.

Representatives Clayton, Floyd and Carlin informally conferred over the subject to-day in preparation for the meeting of the Judiciary Committee to-morrow, and some of the members of the Interstate Commerce Committee of the House talked over their plans. Representative Covington, who was present at the other Democrats' meeting of the latter committee, called on the President to-day and discussed the interstate trade commission bill.

NO BAR TO LEGITIMATE BUSINESS

President Wilson made it clear to-day that with respect to holding companies, the administration did not mean to bar anything that was not "in nature and spirit a monopoly."

It was pointed out to the president that a wide sweeping prohibition of holding companies would affect concerns which had been required to organize subsidiary companies to comply with certain State laws. The President said it would not be an administrative act, but a legislative act, and he was being carried on by practically the same corporation, there would be no restriction on it.

GOVERNMENT PLANT URGED

Washington, January 26.—Construction of a government armor plant, a step advocated by Secretary Daniels as the only means of getting armor out of the hands of private contractors, was recommended to-day by Rear-Admiral Strauss, chief of ordnance.

Admiral Strauss estimated the cost of the armor plant at \$276 a ton, as compared with more than \$400 a ton under the present private contractors. He said a plant that would produce 20,000 tons of armor a year would cost the government \$5,520,000, and one of 5,000 tons capacity, \$800,000.

PROMPT ACTION PROMISED

House action on the Norris resolution, which would place the general ownership of telephones before the Senate, was promised this afternoon by Senator Bankhead, chairman of the Senate Committee on Post-Office and Post-Roads. A call for a meeting of the committee was issued for to-morrow.

"LITERACY TEST" UNDER FIRE

The "literacy test," as a feature of the immigration bill now pending in Congress, was under fire from Representative Smith, of Illinois, in a conference with President Wilson to-day. He declared that a great majority of foreign born citizens of the United States were opposed to the test, demanding that it be dropped.

STOCK MARKET MUSIC TO HIM

Vienna Violinist Picks Up \$18,000 in Two Days

[Special to The Times-Dispatch.]
St. Louis, January 26.—His two days' stay in St. Louis proved quite profitable to the famous violinist, who picked up \$18,000 in two days on the stock market. He bought and sold on the stock market, and he picked up \$18,000 in two days.

MEANEST MAN FOUND

He Steals Crepe From Front Door of House of Mourning

[Special to The Times-Dispatch.]
Mobile, Ala., January 26.—Jesse Granderson, claiming to hail from Evergreen, Ala., stole the crepe from the front door of a house where he had gone to beg something to eat. The Police Court to-day gave him an excuse that he wanted to use the crepe as a band for his head.

SPANISH AVIATOR KILLED

Madrid, Spain, January 26.—Lieutenant Maximo Ramos, Spanish military aviator, was killed here to-day, when he fell in his aeroplane from a considerable height.

WORK OR PLAY

The Times-Dispatch answers every want. Just take Sunday, for instance. The Times-Dispatch Want Ads offered you choice of CUBAN GAME CHICKENS or REGISTERED GRAYHOUNDS if you want sport.

If it's work you seek, The Times-Dispatch Want Ads had MULES listed at bargain prices.

Call Monroe 1

EFFECTS PROMISE

FOR SENATORS TO TALKING

Wilson Seals Lips of All Present at White House Conference.

FOREIGN POLICIES ARE DISCUSSED

Mexican Situation Laid Bare Up to Present, but Future Receives No Attention—Question of Panama Canal Tolls Is Touched On Only Incidentally.

[Special to The Times-Dispatch.]
Washington, January 26.—President Wilson to-night held a conference with twenty members of the Foreign Relations Committee, including both Republicans and Democrats. At the close of the conference he pledged them to secrecy. It became known, however, that the following subjects were taken up:

HE PROTESTS TOO MUCH

Planter Proved Himself Louisiana's Claiming to Be Texas

Washington, January 26.—Paraphrasing Shubert, the Supreme Court in a decision announced to-day by Justice Holmes, held that Scott Burdick, a Louisiana planter, had protested so much he was domiciled in Texas as to show in reality he was domiciled in Louisiana.

BRYAN NONCOMMITTAL

Has Nothing to Say About Wishes as to Goethals

[Special to The Times-Dispatch.]
New York, January 26.—Mayor Mitchell talked over his plans for naming Colonel Goethals as chief of the Panama Canal Commission, but said he was not prepared to say whether he would support the plan or not.

BIG PROFIT CLEARED

Pacific Fruit Express Admits It Is \$1,500,000 to the Good

Chicago, January 26.—Charles A. Smith, manager of the Pacific Fruit Express, testified to-day at the Interstate Commerce Commission investigation of private car lines that the company had made a profit of \$1,500,000 in 1913. The company, owned by the Union Pacific Railroad, is the first private car company to report any considerable profit to the public.

WOMEN'S WAR IS ON

Charges of "Political Chicanery" and "Deceit" Hurlled Back and Forth

Washington, January 26.—Charges of "political chicanery" and "deceit" were hurled back and forth to-day between the women suffrage members of the Congress and the House of Representatives, headed by Mrs. Russell McClennan.

PAPERS ARE SEALED

Judge Thornton Grants Request of Attorneys for Mrs. Willets

Washington, January 26.—The papers of the late Mrs. Willets, who was a member of the Virginia House of Delegates, were sealed to-day by Judge Thornton, upon the request of Mrs. Willets' attorneys.

POISON LABEL DEMANDED

Bill Would Require Skull and Crossbones on Liquor Bottles

New York, January 26.—A bill will be introduced in the State Legislature at Albany to-morrow by a bill prepared by the New York State Liquor Commission, requiring the skull and crossbones poison label, with a brief statement of the danger of the liquor, to be placed on all bottles of liquor.

STOCK MARKET MUSIC TO HIM

Vienna Violinist Picks Up \$18,000 in Two Days

[Special to The Times-Dispatch.]
St. Louis, January 26.—His two days' stay in St. Louis proved quite profitable to the famous violinist, who picked up \$18,000 in two days on the stock market. He bought and sold on the stock market, and he picked up \$18,000 in two days.

MEANEST MAN FOUND

He Steals Crepe From Front Door of House of Mourning

[Special to The Times-Dispatch.]
Mobile, Ala., January 26.—Jesse Granderson, claiming to hail from Evergreen, Ala., stole the crepe from the front door of a house where he had gone to beg something to eat. The Police Court to-day gave him an excuse that he wanted to use the crepe as a band for his head.

SPANISH AVIATOR KILLED

Madrid, Spain, January 26.—Lieutenant Maximo Ramos, Spanish military aviator, was killed here to-day, when he fell in his aeroplane from a considerable height.

GRONDIN IS ARRANGED

Charged With Murder of Wife Under Guise of Suicide

Los Angeles, January 26.—Two minutes in court, the time required to arraign the prisoner, started to-day, is expected to be a long legal battle for the life of John Grondin, chemist and undertaker, charged with the murder of his wife, Zella, under guise of suicide. Grondin's preliminary hearing was set for January 27.

Attorneys say the case will be a struggle between contradictory handwriting experts who examined the "suicide note," which Grondin alleged his wife wrote to him just before she hanged herself in her room.

HOUSE DEFEATS

TAX ON DEPOSITS AT THEIR SOURCE

Lower Branch Rejects Amendments by Vote of 56 to 30.

RATE OF 20 CENTS IS AGREED UPON

Bill Will Reach Final Vote in House To-day—Members Want Itemized Statement From State Institutions as to Their Expenditures and Needs.

By a vote of 56 to 30, the House of Delegates yesterday rejected amendments to the Weaver money tax bill, which would have inserted the rate of 25 cents on \$100 and the provision for collecting at the source, as advocated by Governor-Elect Henry C. Stuart. After disposing of a number of other amendments, the bill, carrying a 20-cent rate, by a vote of 65 to 15, was ordered to its third reading and engrossment. It will come up to-day on its final passage.

WOMEN'S WAR IS ON

Charges of "Political Chicanery" and "Deceit" Hurlled Back and Forth

Washington, January 26.—Charges of "political chicanery" and "deceit" were hurled back and forth to-day between the women suffrage members of the Congress and the House of Representatives, headed by Mrs. Russell McClennan.

PAPERS ARE SEALED

Judge Thornton Grants Request of Attorneys for Mrs. Willets

Washington, January 26.—The papers of the late Mrs. Willets, who was a member of the Virginia House of Delegates, were sealed to-day by Judge Thornton, upon the request of Mrs. Willets' attorneys.

POISON LABEL DEMANDED

Bill Would Require Skull and Crossbones on Liquor Bottles

New York, January 26.—A bill will be introduced in the State Legislature at Albany to-morrow by a bill prepared by the New York State Liquor Commission, requiring the skull and crossbones poison label, with a brief statement of the danger of the liquor, to be placed on all bottles of liquor.

STOCK MARKET MUSIC TO HIM

Vienna Violinist Picks Up \$18,000 in Two Days

[Special to The Times-Dispatch.]
St. Louis, January 26.—His two days' stay in St. Louis proved quite profitable to the famous violinist, who picked up \$18,000 in two days on the stock market. He bought and sold on the stock market, and he picked up \$18,000 in two days.

MEANEST MAN FOUND

He Steals Crepe From Front Door of House of Mourning

[Special to The Times-Dispatch.]
Mobile, Ala., January 26.—Jesse Granderson, claiming to hail from Evergreen, Ala., stole the crepe from the front door of a house where he had gone to beg something to eat. The Police Court to-day gave him an excuse that he wanted to use the crepe as a band for his head.

SPANISH AVIATOR KILLED

Madrid, Spain, January 26.—Lieutenant Maximo Ramos, Spanish military aviator, was killed here to-day, when he fell in his aeroplane from a considerable height.

WORK OR PLAY